

SR

227

SENATE COMMITTEE REPORT

FURTHER:

4/28/87

DATE TURNED INTO OFFICE 4/30/87

Mr. President:

FINANCE Committee considered SB 227

claims of state agencies to permanent fund dividends.

and recommended:

replace with CS FOR _____) same title
 or adopt CS FOR SB 227 (SH)) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures]

John B. [Handwritten] DO PASS
Chairman signature and recommendation

Committee Backup Attached

Replacement note
for FN R/o
4/30/87

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
Revision Date: May 5, 1987
Title: Claims to Permanent Fund
Dividend
Sponsor: Uehling, Faiks
Requestor: Senate Finance

Bill Version: SB 227
Publish Date: April 16, 1987

Agency Affected: Education
BRU: Postsecondary Education
Components: Student Loan Admin.
Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL	N.A.	(670.0)	(300.0)	(300.0)	(300.0)	(300.0)
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	(670.0)	(300.0)	(300.0)	(300.0)	(300.0)
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.	(670.0)	(300.0)	(300.0)	(300.0)	(300.0)

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Loan impact is estimated at \$670,000 based upon what would have been recovered in FY 87. This will vary with dividend amount and default rate.

Prepared by: Kerry D. Romesburg, Deputy Director Phone: 465-2854
Division: Alaska Commission on Postsecondary Education Date: May 5, 1987

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

MAY 05 1987

LEGISLATIVE FINANCE

Original sponsors: Uehling and Faiks

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 227 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to claims of state agencies to
7 permanent fund dividends."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 43.23 is amended by adding a new section to read:

10 Sec. 43.23.067. CLAIMS OF STATE AGENCIES. (a) AS 09.38 does
11 not apply to permanent fund dividends taken to satisfy debts under
12 AS 43.23.065(b)(4). Notwithstanding AS 09.35, execution on a claim
13 under AS 43.23.065(b)(4) is accomplished by delivering a certified
14 claim to the department containing the following information:

15 (1) the name and social security number of the individual
16 whose dividend is being claimed;

17 (2) the amount the individual owes to the agency; and

18 (3) a statement that

19 (A) the debt has not been contested, or, if contested,
20 that the issue has been resolved in favor of the agency; and

21 (B) if the debt has been contested and resolved in
22 favor of the agency, no appeal is pending, the time limit for
23 filing an appeal has expired, or the appeal has been resolved in
24 favor of the agency.

25 (b) Upon receipt of a claim under (a) of this section the de-
26 partment shall notify the individual of the claim. The notice shall
27 be sent to the address provided in the individual's permanent fund
28 dividend application and must provide the following information:

29 (1) the identity of the agency that has made the claim;

1 (2) the amount of the claim;

2 (3) notice that the amount of the permanent fund dividend
3 that does not exceed the amount of the claim shall be paid to the
4 agency unless the agency releases the claim or the individual requests
5 a hearing from the agency making the claim within 10 days after the
6 date the notice is sent by the department.

7 (c) If a hearing is requested by an individual under (b)(3) of
8 this section, the agency making the claim shall notify the department.
9 The agency making the claim is responsible for affording the individ-
10 ual a hearing on the claim. AS 44.62.330 - 44.62.630 apply to the
11 hearing. If no notice of a request for a hearing or release of the
12 claim is received by the department from the agency, the department
13 shall pay the amount of the permanent fund dividend that does not
14 exceed the amount of the claim to the agency making the claim.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: SB 227
Publish Date: 4-1-87

Revision Date: _____

Agency Affected: Education
BRU: Postsecondary Commission

Title: Re: Claims to Permanent
Fund Dividends

Sponsor: Uehling, Faiks

Components: Student Loan Admin.
Student Loan Fund

Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL	N.A.	-----	see attached-----			
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REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.					

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

(see attached page)

Prepared by: Kerry D. Romesburg, Executive Director Phone: 465-2854
Division: Postsecondary Education Commission Date: 4-8-87

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

RECEIVED
APR 08 1987

LEGISLATIVE FINANCE

SB 227
FISCAL IMPACT ANALYSIS

1. Operating budget: The Commission currently runs a tape match of defaulted borrowers against the permanent fund dividend file, so there would be no additional administrative expense associated with this bill.
2. Loan fund (Capital): SB 227 will produce a positive revenue source for the student loan revolving fund. Since the amount of the dividend varies, and since the number of defaulters applying will also vary, it is not possible to predict the fiscal impact with any accuracy. However, if the terms of SB 227 had been in place in FY87, the impact would have been:

<u>Default Match</u>	<u>Claims Filed</u>	<u>Dividends "missed"</u>	<u>Funds Not Received</u>
2,000	800	1,200	\$673,200

Hence, this bill could produce \$400,000 to \$800,000 annually if the application and default rate remains relatively constant.



Alaska State Legislature

Senate

SENATOR RICK UEHLING

P.O. BOX V
State Capitol
Juneau, Alaska 99811

Official Business

Senate Finance
Committee

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

From: Senator Rick Uehling

DATE: April 28, 1987

RE: SB227, "An Act Relating To Claims Of State Agencies
To Permanent Fund Dividends"

I have asked staff to provide the following information and analysis of SB227, "An Act Relating To Claims Of State Agencies To Permanent Fund Dividends." Attached is a brief summary, a copy of the bill, a sectional analysis, copies of the affected statutes, and the fiscal notes.

Summary

SB227 would allow state agencies to garnish an individual's Permanent Fund Dividend to satisfy the nonpayment of a debt to that agency. This bill allows the procedure to occur outside of the courts, yet still provides due process to the individual through an appeals process under the Administrative Procedures Act. The burden on the court system and the excessive time and expense on the part of the agency is eliminated.

An example, and one of the reasons for the introduction of this bill, is the Postsecondary Education Commission. Currently, \$41,000,000 in student loans are in default! These are not delinquent loans, but those in default which are turned over to collection agencies who immediately file suit in court. Last year 2,000 individuals who applied for the dividend were also in default on the student loans. As noted in the Postsecondary Education Commission's fiscal note, if this bill passes it could mean an additional \$400,000 to \$800,000 in revenue each year for the student loan program. Other Departments such as Commerce & Economic Development, Health & Social Services and the Court system have indicated that this bill could result in additional revenue for them as well.

It does not seem equitable for individuals to receive the Permanent Fund Dividend when they are in default on a debt to a state agency. This bill takes steps to remedy that inequity.

STATE OF ALASKA THE LEGISLATURE

FOURTH STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 8, 1987

SUBJECT: Sectional analysis of SB 227

TO: Senator Rick Uehling

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Here is the sectional analysis that you requested of SB 227 dealing with claims of state agencies to permanent fund dividends.

Sec. 1. A new section is added providing that AS 09.38 (Alaska Exemptions Act) does not apply to a dividend taken to satisfy a debt of a state agency. Execution on such a claim is accomplished by delivering a certified claim to the Department of Revenue containing certain information. Upon receipt of the claim the department is required to notify the individual and provide certain information, including notice that the individual may request a hearing within 10 days after the date the notice is sent by the department. AS 44.62.330 - 44.62.630 (Administrative Procedure Act) apply to a hearing requested by an individual. If no request for a hearing is received, the department is required to pay the amount of the permanent fund dividend that does not exceed the amount of the claim to the agency making the claim.

You have also asked whether the bill presents due process problems. I believe the bill would survive a due process challenge because the individual whose dividend is being claimed is given notice of that fact and accorded a hearing on the claim at his request. The hearing is subject to provisions of the Administrative Procedure Act that relate to administrative hearings, which set out procedures to be followed in the hearing and includes the opportunity to appeal a final administrative order to the superior court (AS 44.62.560). It is only when no request for a hearing is received that the department may proceed to pay money from the dividend to the agency making the claim.

TBC:mkr
m10/121

provision, see § 22, ch. 99, SLA 1985 in amendment substituted "October" for the Temporary and Special Acts. "December" in paragraph (2).
Effect of amendments. — The 1984

Sec. 43.23.065. Exemption of permanent fund dividends. (a) Except as provided in (b) of this section, 50 percent of the annual permanent fund dividend payable to an individual is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual.

(b) An exemption is not available under this section for permanent fund dividends taken to satisfy

(1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220;

(2) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100;

(3) a court ordered probation fee under AS 12.55.105; or

(4) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order listed over other claims on a permanent fund dividend. (§ 1 ch 102 SLA 1982; am § 1 ch 157 SLA 1984; am § 57 SLA 1985; am § 67 ch 138 SLA 1986)

Revisor's notes. — Sections 12 and 13, ch. 99, SLA 1985, amend this section and add new (b) and (c). The amendments are effective if § 1, ch. 99, SLA 1985 is repealed (see § 25, ch. 99, SLA 1985). If the amendments become law, the section will read: "(a) Fifty percent of a cash permanent fund dividend payment is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual. An exemption is not available under this section for cash permanent fund dividend payments taken to satisfy (1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220; (2) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired; or (3) court ordered restitution under AS

12.55.045 — 12.55.051 or 12.55.100. A child support obligation under (1) of this section has priority over a debt owed to an agency of the state, and a permanent fund dividend may not be taken to satisfy a debt under (2) of this section until any portion of the dividend necessary to satisfy a child support obligation has been taken.

"(b) The department shall require an individual to take 100 percent of the permanent fund dividend in cash if the department receives a levy, execution, garnishment, attachment or other legal remedy for the collection of a past due debt described in (a)(1) or (2) of this section.

"(c) The courts of this state may, as a condition of any civil judgment or restitution order under AS 12.55.045 — 12.55.051 or 12.55.100, require the defendant to take the defendant's permanent fund dividend in cash."

Section 22, ch. 99, SLA 1985 provides for an advisory vote to be held at the general election in 1986. For the text of that

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version: SB 227 / HB 223
Publish Date: 4/1/87

REQUEST:

Revision Date: 4/13/87
Title: An Act relating to claims of state agencies to permanent fund dividends.
Sponsor: Senators Uehling and Faiks
Requestor: Senator Uehling

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

(See Attached)

Prepared by: Jennifer Strickler, Management Analyst
Division: Occupational Licensing

Phone: 465-2144

Date: 4/13/87

Approved by Commissioner: J. Anthony Smith
Agency: Commerce and Economic Development

Date: _____

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

SB 227 /HB 223

The Division of Occupational Licensing has experienced approximately 3% of NSF checks submitted annually for licensing fees in FY 86 and FY 87. At that rate, 3% of the projected FY 88 revenue will total \$36,600.00.

SB 227 will allow the division to recover funds for NSF checks through filing a claim against an individual's permanent fund dividend check, after all other attempts to recover the funds are unsuccessful. The impact of the bill should discourage future non-compliance with attempts to recover funds.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: SB 227
Publish Date: 4/1/87

Revision Date: _____

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing

Title: An Act relating to claims of
state agencies to permanent fund dividends.

Sponsor: Senators Uehling and Faiks

Components: _____

Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE	0	[36.6]	[36.6]	[36.6]	[36.6]	[36.6]

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

(See Attached)

Prepared by: Jennifer Strickler, Management Analyst
Division: Occupational Licensing

Phone: 465-2144

Date: 4-10-87

Approved by Commissioner: J. Anthony Sullivan
Agency: Commerce and Economic Development

Date: _____

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

SB 227

The decrement of \$36,600.00 in revenue represent 3% of the projected FY 88 revenues. The division has experienced approximately 3% of NSF checks submitted annually for licensing fees in FY 86 and FY 87. At the present rate, the division can also expect to recover the same amount in subsequent years.

Although the strongest impact will occur within the first year upon passage of the bill, the impact should discourage future non-compliance with attempts to recover funds for NSF checks.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 227

Publish Date: _____

REQUEST

Revision Date: _____

Title: An act relating to claims of state agencies to PFD's

Sponsor: Uehling and Faiks

Requestor: State Affairs, Judiciary

Agency Affected: Revenue

BRU: Administrative Services

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	4.2	4.2	4.2	4.2	4.2
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	2.2	2.2	2.2	2.2	2.2
SUPPLIES	-	0.1	0.1	0.1	0.1	0.1
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	6.5	6.5	6.5	6.5	6.5
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	6.5	6.5	6.5	6.5	6.5
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	6.5	6.5	6.5	6.5	6.5

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

(See attached)

Prepared By: Ervin D. Jones
Division: Administrative Services

Phone: 465-2313

Date: 4/13/87

Approved by Commissioner: J. Malone
Agency: Revenue

Date: 4/13/87

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

page _____ of _____

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 227
4/6/87

Assumptions:

- 1) It is assumed that the term "state agency" does not include the court system.
- 2) It is assumed that all state agencies which now execute judgments by serving the Department of Revenue with writs will instead use the procedure prescribed in this bill. In 1986, the department received approximately 5,000 writs from state agencies under AS 43.23.065(b)(4).
- 3) Given the ease by which the debtor agency is allowed to attach the PFD, an estimated increase of 3,000 claims is expected.
- 4) It is assumed that certified claims filed before April 1 of each calendar year will be returned to the agency as the department will not be holding revenue for the individual until he files a PFD application. Claims filed between April 1 and December 31 will be held and matched against the current year dividend file and will be honored in the order provided in AS 43.23.065.
- 5) Competing claims from different agencies will be honored in the order received.
- 6) Since Section 1 of the bill requires the Department of Revenue to send a notice to the address on the PFD file, the department will hold the claim until the PFD application is on file before sending the notice.

Program Summary:

The Department of Revenue will print a form for state agencies to use in claiming the permanent fund dividend of eligible individuals. This will ensure a uniform presentation of information required by the bill and will facilitate processing of the claim. Claims received will be matched against the PFD file. Except for claims filed between April 1 and July 31 of each year, if a payable application is not on file, the claim will be returned to the agency, marked "no funds available." If, on the other hand, a payable application is on file, the Department of Revenue will send the applicant a notice as described in Section 1.

During the period of April 1 - July 31 of each year, the current year's PFD file is being compiled. Agency claims filed during this period will be held until the current year PFD file is completed and will then be matched, resulting in either a notice of no funds available to the agency or a notice to the dividend applicant.

The provision of subparagraph (c) in the new Sec. AS 43.23.067 implies that the Department of Revenue will hold hearings under AS 44.62.330 - 44.62.630 if requested by the dividend applicant within 10 days of the date of the aforementioned notice. It would seem much more appropriate and practical for the agency making the claim to defend against any challenge, and we would therefore recommend that the bill be amended to provide that any challenge to the execution should be made to the agency making the claim. Unless the claim is released, it will be honored at the time of payment. Without access to the factual record supporting the claim and without the specialized program knowledge of the agency filing the claim, it would be impossible for Revenue to provide such a hearing.

At the time of payment of the dividend, a notice of payment and/or garnishment will be sent to the applicant, notifying him of the attachment(s) and/or assignment(s) and/or dividend contributions which reduced his dividend.

1. Positions

1 PPT Document Processor, R7,
@ \$2,117.76/Mo including salary
and benefits for 2 months = \$4.2

This position will assist in the processing of agency claims and the issuance of the related notices to PFD applicants.

Other Costs:

Travel: None

Contractual:

Printing of 10,000 agency claim forms and 10,000 notices to applicants = \$0.4

Postage for 8,000 notices to applicants = 1.8

TOTAL Contractual \$2.2

Supplies: \$0.1

Equipment: None

TOTAL Costs \$6.5

1 IN THE SENATE

BY UEHLING AND FAIKS

2

SENATE BILL NO. 227

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to claims of state agencies to
7 permanent fund dividends."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 43.23 is amended by adding a new section to read:

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11 not apply to permanent fund dividends taken to satisfy debts under
12 AS 43.23.065(b)(4). Notwithstanding AS 09.35, execution on a claim
13 under AS 43.23.065(b)(4) is accomplished by delivering a certified
14 claim to the department containing the following information:

15 (1) the name and social security number of the individual
16 whose dividend is being claimed;

17 (2) the amount the individual owes to the agency; and

18 (3) a statement that

19 (A) the debt has not been contested, or, if contested,
20 that the issue has been resolved in favor of the agency; and

21 (B) if the debt has been contested and resolved in
22 favor of the agency, no appeal is pending, the time limit for
23 filing an appeal has expired, or the appeal has been resolved in
24 favor of the agency.

25 (b) Upon receipt of a claim under (a) of this section the de-
26 partment shall notify the individual of the claim. The notice shall
27 be sent to the address provided in the individual's permanent fund
28 dividend application and must provide the following information:

29 (1) the identity of the agency that has made the claim;

1 (2) the amount of the claim;

2 (3) notice that the amount of the permanent fund dividend
3 that does not exceed the amount of the claim shall be paid to the
4 agency unless the agency releases the claim or the individual requests
5 a hearing within 10 days after the date the notice is sent by the
6 department.

7 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an
8 individual under (b)(3) of this section. If no request for a hearing
9 is received by the department within the required time limit, the
10 department shall pay the amount of the permanent fund dividend that
11 does not exceed the amount of the claim to the agency making the
12 claim.

1 IN THE SENATE

BY UEHLING AND FAIKS

2

SENATE BILL NO. 227

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

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23 filing an appeal has expired, or the appeal has been resolved in
24 favor of the agency.

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26 partment shall notify the individual of the claim. The notice shall
27 be sent to the address provided in the individual's permanent fund
28 dividend application and must provide the following information:

29 (1) the identity of the agency that has made the claim;

1 (2) the amount of the claim;

2 (3) notice that the amount of the permanent fund dividend
3 that does not exceed the amount of the claim shall be paid to the
4 agency unless the agency releases the claim or the individual requests
5 a hearing within 10 days after the date the notice is sent by the
6 department.

7 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an
8 individual under (b)(3) of this section. If no request for a hearing
9 is received by the department within the required time limit, the
10 department shall pay the amount of the permanent fund dividend that
11 does not exceed the amount of the claim to the agency making the
12 claim.

FURTHER:

DATE TURNED INTO OFFICE _____

Mr. President:

JUDICIARY Committee considered SB 227

claims of state agencies to permanent fund dividends.

and recommended:

replace with _____ CS FOR _____) same
 or adopt _____ CS FOR _____) p

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted

Committee attach

new

7
0
7

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4/8/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY

**FISCAL NOTE(S) ATTACHED, **
IN ACCORDANCE WITH AS 24/08.035
(see below)

4/1/87 DATE TURNED INTO OFFICE 4/16/87
Mr. President:
STATE AFFAIRS Committee considered SB 227

claims of state agencies to permanent fund dividends.

and recommended:

replace with CS SB 227 (State Affairs) same title
 attached amendment(s) and new title

APC do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

Rich Cleary (NO PASS)

OTHER RECOMMENDATIONS

Winnie Hensley - no Rec.

Don McMillan
Chairman signature and recommendation

Committee Backup Attached